

NEWSLINE

Savings Plus Program

4th Quarter 2007

Fund Lineup Complete

Now that we've completed the reorganization of our fund lineup (since November 8), you can count on these asset categories to remain as is for years to come. We'll still monitor these funds to ensure their rates of return are competitive with other investment products the market offers. All you need to focus on is making sure you have an "asset allocation" strategy that works for you.

The brochure we mailed you in November described the improvements we made over the past year. Here's a quick recap of the highlights:

- We added more index funds.
- We eliminated "style" distinctions (growth, value, blend) in our small, mid, and large cap stock funds.
- We added a bond fund (actively managed) to complement our existing bond index fund.

If you had assets in any of the growth, value, or blend funds, those assets have been transferred to the actively managed funds that replaced them (still in the same category of small, mid, or large cap stocks they were in before). This transfer appears on your current statement (2007 4th quarter).

As the chart on the right shows, we've labeled our investment choices to help you diversify your assets among the various categories, known as "asset allocation."

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SPP Fund Options

Option 1

Asset Allocation Funds

Asset Allocation Index Fund-Aggressive
Asset Allocation Index Fund-Moderately Aggressive
Asset Allocation Index Fund-Moderate
Asset Allocation Index Fund-Moderately Conservative
Asset Allocation Index Fund-Conservative

Option 2

Core Funds

Managed Funds
(Active Management)

Index Funds
(Passive Management)

International Stock

International Fund

International Index Fund

U.S. (Domestic) Stock

Small Cap Fund

Small Cap Index Fund

Mid Cap Fund

Mid Cap Index Fund

Large Cap Fund
Socially Responsible Fund
(Neuberger Berman
Socially Responsive Fund)

Large Cap Index Fund

Bonds

Bond Fund
(WA Core Plus Bond
Portfolio)

Bond Index Fund

Short Term Investments

Short Term Investment
Fund

Option 3

Brokerage Account

Charles Schwab, Inc. –
Schwab Personal Choice
Retirement Account® (PCRA)

As with any investment, you should carefully consider the fund's investment objectives, risks, charges, and expenses before investing. The fact sheet/prospectus contains this and other important information. Read the fact sheet/prospectus carefully before investing.



Understanding Fees

You need to be aware that fees charged to your account affect your investment growth. That's why SPP strives to keep fees as low as possible.

SPP participants pay two types of fees:

- **account fees**, which SPP charges to cover its costs to administer the Savings Plus Program, and
- **management fees**, which investment providers and custodians charge and deduct from the rate of return. Additionally there are fees included in our investments and received by SPP to cover program costs. Management fees vary from one investment option to another. To see how much each of your investments charge in fees, refer to the provider's fund fact sheet/prospectus.

Fee Disclosure Posted Online

In our continuing effort to disclose all investment-related fees that affect your rate of return, we've added an investment fee disclosure table to our website. To access this table, select the "investment choices" tab, then "investment operating expenses" (on the left of the screen).

The table shows the estimated operating expenses for each of the investment choices we offer, with footnotes that describe what these expenses cover. The two categories of expenses are:

- "Management Fees," which cover the investment companies' and custodians' cost to administer the fund for SPP; and
- "Expense Reimbursement," which is an amount received from our investments used to pay our administrative expenses, which in turn reduces the account fee we charge our participants.

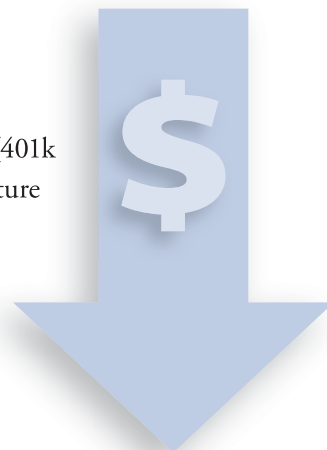
As of January 2008, the "expense reimbursement" fee we receive from our investments is ten basis points. (A "basis point" equals .01%) Previously, this fee varied among providers. We switched to charging them a single, across-the-board rate so our participants would not be disadvantaged based on the rate paid by their particular investment choice.

Compared to the majority of retail mutual funds, variable annuity funds, or other non-institutional investment products, our investment offerings have low fees. That allows more of your money to remain invested.

Account Fees Reduced

Effective January, the fee we charge to administer your account has been reduced to \$1.50 per month per plan (401k and 457). This new flat rate replaces the tiered fee structure we previously used, which ranged from \$2 to \$4.05 per month per plan. Now all our participants can benefit from a single, lower account fee.

The fee reduction will show up on your next quarterly statement, mailed in April.





Update Your Beneficiary Online

You can now add or change beneficiaries using SPP's website. Just logon to your account, click on Transactions (left side), then select Change Beneficiary. Choose the plan you want to change (401(k) or 457), and then fill in the required information.

If you have both a 401(k) and 457 account, you must designate your beneficiaries separately, even if you're designating the same people.

Keeping your beneficiaries current has never been easier.

2008 Contribution Update

The 2008 contribution (deferral) cap for 401(k) and 457 plans remains unchanged from the 2007 level:

- \$15,500 per plan, if you're under age 50;
- \$20,500 per plan if you're 50 or older.

These caps are set by the IRS. If you have specific tax questions, please consult a tax advisor or attorney. Neither Nationwide nor SPP gives tax advice.



Savings Pool Closed

As previously reported, we closed the Short Term Investment Fund—Cash, formerly known as the Savings Pool. If you have money in this investment choice, it may remain there. However, it's no longer open to transfers or deferrals.

If your paycheck deferrals were going into this fund prior to its closure, we automatically changed your future deferrals to the new Short Term Investment Fund (STIF), unless you'd already selected a different option. You can get the STIF Fact Sheet at www.sppforu.com, under quick links, fact sheets/prospectuses.

Are You 70½ or Older?

After you reach age 70½, the IRS generally requires you to begin withdrawing money from your 401(k) and 457 accounts. Called a “required minimum distribution,” this payment must be issued no later than April 1 of the year following the year you reach 70½, or the year you retire, whichever is later.

Our Benefit Payment Booklet explains this and other payment options in detail. The booklet is available at www.sppforu.com (go to forms and publications, and then select the forms link). You also can request a copy by calling us at 866-566-4777 and pressing *0 for a customer service representative.

Fund Lineup Complete

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How much you diversify in each category depends on how much risk you’re willing to take and how long you expect your money to be invested before you begin withdrawals.

For help diversifying your investments, use the Ibbotson Asset Allocation tool on our website at www.sppforu.com (it’s under planning tools). You also should review SPP’s Investment Guide (click on forms and publications, then publications). To have the Guide mailed to you, call us toll free at 866-566-4777 (press *0 for customer service).

Investing involves market risks, including possible loss of principal. Some mutual funds may impose a short-term trade fee and be subject to trade restrictions.

Asset Allocation funds invest in a mix of asset classes. The use of asset allocation does not guarantee returns or insulate you from potential losses.

Investment Fund Update

FUND INVESTIGATIONS

No items to report.

FUND MANAGER CHANGES

Effective April 2, 2007, Mark Waterhouse, the Hartford Investment Management Company investment manager who managed part of the Small Cap Fund – Growth (Hartford Small Company HLS Fund), resigned and is no longer managing the fund. The fund is currently managed by Hugh Whelan, who has co-managed the fund since 2005. Previously Mr. Whelan worked for ING, Inc. managing its Small- and Mid-Cap funds.

WATCHLIST

There are no funds added to the Watchlist for this quarter.

Where’s Your 1099-R?

If you received a payment from your SPP account in 2007, keep an eye on your mail for the 1099-R tax document, mailed from Nationwide Retirement Solutions in January. If you haven’t received your 1099-R by Feb. 15, 2008, request a copy by calling 1-866-566-4777 (press * 0 for customer service). A copy will be mailed to you within 30 days.



State of California
Department of
Personnel Administration

Savings Plus Program
1800 15th Street
Sacramento, CA 95811-6614

How to Reach Us

Hours

Lobby: 8:00 a.m. - 4:30 p.m.
Phone: 8:30 a.m. - 4:00 p.m.

Web site: www.sppforu.com

Voice Response System:
1-866-566-4777

TTY: 1-800-848-0833

FAX: 1-916-327-1885